

Forestry Provisions of the Farm Bill

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Chairman Bob Goodlatte
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Thank you Mr. Chairman for this opportunity today to present the ideas of the National Association of State Foresters (NASF) regarding reauthorization of the forestry provisions within the Farm Bill. It has been more than a decade since Congress considered significant changes to the forestry programs authorized under the Farm Bill, more commonly known as the State & Private Forestry programs. In that time, the land management challenges facing the millions of non-industrial private forest landowners in this country have shifted significantly as forest certification, domestic and global fiber supplies, and a greater emphasis on the sustainability of our forested resource has arisen. We have an obligation with the reauthorization of the Farm Bill to evaluate the position and update the relevancy of these forestry programs in light of these new challenges.

State Foresters have been integral in the delivery of these programs from nearly the start. As a group, the National Association of State Foresters has been around for over 80 years seeking to improve the vigor, the productivity and the resilience of our nation's 747 million acres of forestland. As individuals, State Foresters have been working even longer to assist non-industrial private forest (NIPF) landowners to derive the highest public and private benefits possible from the 363 million acres they own manage. Ultimately, the success of State Foresters' efforts is highly dependent on the support of the federal forestry programs authorized under the Farm Bill. My goal today is to share with you how these programs are operating, what changes need to be made to the programs and their funding levels, and whether new programs are needed to ensure forestry remains a vibrant component of our economy and relevant in our daily lives.

The Forestry Title

The Congress passed a forestry title in the Farm Bill for the first time in 1990, initiating and revamping programs such as the Forest Stewardship, Stewardship Incentive, Forest Legacy, Urban & Community Forestry and Forestry Incentives Programs. Since that time we have had great success in implementing the Forest Stewardship, Forest Legacy, and Urban & Community Forestry (U&CF) programs. However, over the last eight years, funding available to provide NIPF landowners with incentives to carry out conservation and forestry practices on their lands has shrunk to negligible and impractical levels. The Stewardship Incentive Program (SIP), once funded at over \$14 million, has been zeroed out in recent years. The Forestry Incentives Program (FIP), initially funded at over \$20 million, has been reduced to less than \$6.5 million. In addition, conservation programs such as CRP that originally had a strong focus on forestry have moved away from tree planting in the last several years.

The reality we face today is that private forestland owners are under new pressures to produce a number of goods and services, some of which are reflected in market prices for wood products, while others, such as improved wildlife, air and water quality, are not. As timber harvests from the National Forests continue to decline, harvest pressures have increasingly shifted onto our non-industrial private land base, while development pressures have forced the cost of land ownership up considerably. Complicating matters, recent Federal rule makings under the Clean Water Act, the Endangered Species Act and others have placed significant burden on private landowners with process and unrealistic systems that were developed to tackle perceived problems on non-federal forests, as evidenced by the TMDL rule.

The State Foresters want to work with you to develop a non-regulatory, incentive based approach to private forestlands that will ensure the best combination of goods and services. We hope to build upon the successes of the Forest Stewardship, SIP, FIP, U&CF, and Forest Legacy programs. To this end, we are proposing a non-federal forestland stewardship initiative to address the enormous management, protection, and sustainability needs on private lands. Our initiative provides the basis for healthy,

sustainable forests while continuing to protect private property rights. Well-managed non-federal forests will help reduce urban sprawl and help provide reasonably priced forest products for a growing America. The bottom line is that participation by NIPF landowners in federally assisted state forestry programs ultimately delivers significant public value. We are not only guaranteeing a reliable source of fiber for the nation's mills, but enhancing wildlife habitat, improving our air and water, adding to our carbon stores, increasing recreational opportunities, and generally adding to everyone's quality of life.

Non-Federal Forestland Stewardship Initiative

The three legs envisioned for this initiative are; first, and foremost, a revised landowner cost-share assistance program; second, a watershed forestry initiative; and third, enhancement of community protection from wildfire.

- Our number one priority for the Farm Bill is the **Sustainable Forestry Assistance Program**. This is a reinvigorated, flexible NIPF landowner cost-share assistance program that modifies the Forestry Incentives Program (FIP) by incorporating the best components of the Stewardship Incentive Program (SIP). A recent USDA Forest Service study revealed that NIPF landowners are three times more likely to implement forest management plans when financial incentives are provided. Although not terribly surprising, it does show how vital cost-share incentive programs are if the full value of these lands in timber, clean and abundant water yields, wildlife habitat and recreational opportunities are to be fulfilled.

Administered through USDA, the revamped Sustainable Forestry Assistance Program is a major step in protecting communities and the environment from wildfires as well as providing economic expansion and diversification for rural communities. Designed to encourage "working forests," USDA would work directly with and through State Forestry agencies to encourage the long-term sustainability of NIPF lands by encouraging NIPF landowners to more actively manage their forests and related natural resources through financial, technical and educational assistance.

USDA would work directly with State counterparts to develop national and State priorities for practices to be cost-shared under this program as well as technical and educational opportunities. The program would allow States to consider organizing priorities along watershed or landscape level boundaries as well as to encourage landowners to work together on the appropriate scale.

The Program would allow for a range of forest resource improvement practices to be cost-shared. Assistance provided would focus on the establishment, restoration, and maintenance of forests and trees. Such practices would include: sustainable timber production, agroforestry practices such as shelterbelts and windbreaks; forest wetland and riparian area management, water quality and watershed protection and management; energy conservation and carbon sequestration; wildlife habitat improvement; invasive species management; forest fire reduction and recovery; and forest management planning.

In order to participate, landowners would be required to develop individual stewardship, forest or stand management plans that address site-specific activities. The plans would be developed in cooperation with and approved by the State Forester. Participants receiving cost-share would agree to implement and maintain such practices for at least ten years unless the State Forester approves a modification to the plan. Further, minimum and maximum acreage restrictions would be determined by each State Forester in conjunction with the State Stewardship Coordinating Committee. Finally, States would be able to cost-share up to 75 percent of a practice funded under this Program, but could choose to cost-share at lower rates in order to spread Program resources further.

What distinguishes this cost-share program from past cost-share programs is a program commitment to sustainability and a holistic approach to program delivery that provides financial, technical and educational assistance to private landowners in one program. To provide management and planning security, mandatory funding

should be provided at a level of \$150 million. Analysis has shown that half that amount of funding would impressively produce an additional 6.5 billion board feet of timber from non-federal lands, as well as improvements to soil and water protection (500,000 acres), wildlife habitat enhancement (600,000 acres) and forest recreation enhancement (1 million acres).

An effective and adequately funded cost-share program is essential if we are to achieve our goals of maximizing the private and public value of non-federal forest lands. Flexibility for States to craft an effective program to match each State's unique geographical and socio-economic characteristics will be key. A completed forest management plan is not of much value if not implemented. A workable cost-share program is the cornerstone.

- Our second proposal is a **Watershed Forestry Initiative** to help the forestry community play a more proactive role in the prevention of water quality problems on forested lands and the improvement of both ground and surface waters. Prompted by increasing scrutiny and concern over the nation's water quality, the Watershed Forestry Initiative will focus on improvement of forest management activities on all land uses in the field to protect water quality.

Whereas the Total Maximum Daily Load rule developed by the previous Administration represented a top-down, regulatory approach to water quality problems, the Watershed Forestry Initiative takes a different approach by working

with landowners to improve water quality through voluntary forest management practices.

Forestry Service and provide the private forestry. Private forests include

coordinators, watershed planning, and watershed and clean water grants. Watershed coordinators will be a focal point for integrating programs across mixed ownerships and building federal and state capacity to deliver existing cooperative programs on a priority watershed basis. They will help to build new partnerships at the State and local level; provide technical guidance for water quality protection and restoration; develop collaborative watershed projects which can address critical conservation, restoration or stewardship needs in priority areas; provide forest resource data and support for State and local watershed planning efforts; and, work directly with the NIPF landowner on-the-ground to improve water quality.

Successful watershed planning and management depends on good information to assist groups involved in assessing watershed condition and developing solutions. The Watershed Forestry Initiative will provide watershed information to assist in the development of water quality standards and nonpoint source pollution control plans, provide forest resource information to local watershed councils, and support sustainable forestry Criteria & Indicators as well as the index of watershed indicators.

All this will come to life through the grant component of the Watershed Forestry Initiative. Through grants to States, communities, non-profit groups and landowners, the Forest Service and State Foresters will implement critical watershed protection, restoration, and stewardship projects. These grants will be used to protect drinking water supplies; demonstrate the value of trees and forests in watershed health and condition; restore fisheries and enhance waterfowl and other wildlife habitat; promote forest and watershed protection through community-based planning and action; restore stream side forests and establish riparian vegetative buffers; and, build new partnerships.

The essence of the Watershed Forestry Initiative is to empower the NIPF landowner, enabling him or her to improve the quality of water from the land by using trees and forests as solutions to water quality problems in urban and agricultural areas. Analysis has shown a need of \$20 million exists, \$15 million to fund the clean water

grants component and \$5 million to establish watershed coordinators and enhance planning.

□ Our third and final element of this Non-Federal Forestland Stewardship Initiative is **Enhanced Community Protection** from wildfire. The Cooperative Fire Programs of the USDA Forest Service are already authorized under the Farm Bill; the State Fire Assistance Program and the Volunteer Fire Assistance Program. These two programs ensure that state and local firefighters are trained, equipped and prepared to respond in a coordinated fashion to wildland fire threats. Through the help of Congress, these programs have saved millions of dollars, saved untold lives and provided communities added protection in the volatile and costly wildland-urban interface where homes and wildfire intermingle. Their continued support is essential to success. However, as evidenced by last year's devastating wildfire season and the expectation of another for this year, we need to ensure that our private forestlands are receiving the protection they need from wildfire. Now more than ever, particularly in the wildland-urban interface, fire hazards must be reduced.

The collaborative National Fire Plan that so many entities rose to support is the perfect example and first step necessary to see this through. With 80 percent of all fires occurring on state and private lands, the need for a strong federal role in helping state and local governments promote safe and effective fire protection and suppression programs has never been greater. NASF is calling for adequate funding to address this issue by helping states, volunteer fire departments and communities develop leading-edge fire prevention, community response and suppression strategies.

Building upon the success of the Community and Private Land Fire Assistance line-item funded under the National Fire Plan, NASF supports the inclusion of Enhanced Community Protection from wildfires in the Farm Bill. Such an emphasis would increase investments in hazardous fuels treatments on non-federal land to augment Federal projects that promote landscape level protection from wildfires. Treatments should use all the tools of the fire prevention toolbox; prescribed fire, mechanical

removal, mulching, and chemical application. Usage of local contract personnel would be given priority wherever possible.

A multi-pronged, all-inclusive approach will be undertaken that would feature the use of incentives, outreach and partnerships. Enhanced Community Protection would be accomplished through increased use of incentives for communities and private landowners to address defensible space and fuels management needs on municipal and private property. Outreach and educational programs would be expanded to homeowners and communities to deliver the fire prevention message through the use of programs such as Firewise (www.firewise.org). And all throughout, partnering will be nurtured by augmenting the federal role in promoting optimal firefighting efficiency at the federal, state and local levels.

Added Farm Bill authorizations will provide the focus for existing programs and activities to realize these goals. The State Fire Assistance and Volunteer Assistance Programs will enable Firewise, fuel hazard mitigation/prevention and other special projects to take life. Enhanced invasive species management will help control unwanted species from hampering conflagration control efforts and help to re-establish natural fire regimes. The Economic Action Programs (EAP) will provide outlets for pilot projects, market development/expansion and improved wood utilization of fuel reductions. And finally, the Community and Private Land Fire Assistance provided in last year's Interior appropriations bill will help with fence reconstruction, hazard mitigation, multi-resource planning and community protection planning. We are getting closer to enacting a national cohesive, efficient and effective wildfire protection system, and authorization of an Enhanced Community Protection component in the Farm Bill will provide the keystone to it all.

Other Areas of Focus

Testimony by other forestry groups with a stake in Farm Bill programs has already been delivered to the Subcommittee at the previous hearing on June 12th. Many of these groups, including NASF, came forward through the National Council of Private Forests

to promote specific changes to the Farm Bill all could agree upon. From those groups, it is noteworthy to highlight the testimony submitted by the Society of American Foresters. Beyond their accurate portrayal of many of the State & Private Forestry programs authorized under the Farm Bill such as the Forest Stewardship Program, the Forest Legacy program and the Urban & Community Forestry program, NASF would like to spotlight their statements regarding other important conservation programs.

Tremendous success has been achieved, and is expected to continue through such conservation programs as the Conservation Reserve Program, the Conservation Reserve Enhancement Program, the Wildlife Habitat Incentives Program and the Environmental Quality Incentives Program. However, NASF feels strongly that the public benefits of these programs would be improved by a recommitment to tree planting and forestry in general. Built upon the strong forestry components of the now defunct Agricultural Conservation Program (ACP), current conservation programs and the participating landowners would benefit immensely from increasing incentives to plant trees and to practice forestry on enrolled lands. Much of this could be accomplished through the inclusion of forestry in authorizing language putting it on par with current program objectives.

Conclusion

Our proposals here today are a combination of enhancement of existing authorities for some conservation and forestry programs, modification of forestry cost-share program language and introduction of new authorities to improve watershed and water quality protection. NASF's number one priority is to deliver authorities for an effective NIPF landowner cost-share assistance program, the keystone for well-managed and protected private forests that are healthy, sustainable and beneficial to society.

The capacity of the United States to produce continued renewable forest resources is significantly dependent on these non-federal lands. Further, as policy changes on federal lands are shifting harvesting pressures, adequate supplies of timber and other forest resources are increasingly dependent on the adequate stewardship of non-federal lands.

The bottom line is that a NIPF landowner cost-share incentive program is needed now more than ever. In order for it to succeed, incentives have to be based on forest stewardship needs, targeted to state and local issues, flexible enough to meet varied conditions and contexts, and administered through the State Forestry agencies who have the expertise and delivery structure in place.

Thank you for this opportunity to provide testimony and we hope it has and will prove useful. We look forward to working with you in crafting the reauthorization of the Farm Bill.